Department of Health Services
Safe Drinking Water State Revolving Fund

SOURCE WATER PROTECTION LOAN APPLICATION GUIDELINES

2004/2005

Notice to All Applicants:
The Application Deadline for 2004 Invited Source Water Protection Projects is
December 31, 2004
Only those projects which have submitted a **COMPLETE APPLICATION TO** Department of Health Services, Drinking Water Program, District Office by December 31, 2004 will be considered for funding based on the June 2004 Invitations.

SOURCE WATER PROTECTION LOAN

APPLICATION INSTRUCTIONS AND GUIDANCE

These instructions and guidelines are intended to assist applicants in filling out the loan application form for a source water protection (SWP) loan. The guidelines should be used in conjunction with a copy of the SDWSRF regulations for a better understanding of the SDWSRF program requirements, and a copy of the Drinking Water Source Assessment and Protection (DWSAP) program document (dated January 1999, with January 2000 revisions). The regulations, DWSAP program document, and this guidance should be studied carefully before attempting to complete the application in order to avoid confusion and possible unnecessary work. The instructions and guidance may not fit all situations, or there may still be some uncertainty as to what is required for a specific project application. In such cases, the applicant is encouraged to contact the District Office for the Department's drinking water program. The District Office can answer most questions and are available to assist applicants, if needed, in filling out the application. Applicants are advised that **only** fully completed applications will be accepted for processing**. Partial applications will not be considered as "received" and will not be processed.** If information required to be submitted as part of the application is missing, you will be notified within 30 days of the information that needs to be submitted before processing can begin.

Applicants should be aware that there are several components to the **complete** application package. These include the Source Water Protection Loan Application (DHS 8588, 2/00), the Environmental Information Worksheet, and the Technical, Managerial, and Financial (TMF) Assessment Form. A summary of typical attachments to the application is provided on the last page of these guidelines, and on the last page of the Application. Since federal funds are being used to finance all SWP loans, specific TMF information needs to be provided at the time of application to meet federal requirements. If you are a community water system, you may have filled out a TMF Assessment Form and have had a TMF evaluation performed by the District Office. If so, simply attach a copy of the completed assessment form. For those systems that have not had an assessment conducted by the District Office, you must complete the TMF Assessment Form as best as you can and submit it with your funding application. You will find that in some cases the same information is requested in the application form and the TMF Assessment Form. Applicants only need to provide the required information once and do not need to duplicate it. For example, if the required information on one of the forms is included in the engineering report, simply refer to the appropriate section of the report where this information is available. If you have any difficulty in completing the TMF Assessment Form, please contact the District Office.

Applicants are encouraged to contact the Department's district office for your area if you have any questions or need any assistance. In many cases, it may be helpful to have an initial meeting with District Office staff to discuss the proposed project, timing, project eligibility, environmental review requirements and procedures, federal cross-cutters, or any other aspect of your project. If you desire such a meeting, please contact the District Office covering your area.

PART A. GENERAL INFORMATION

SWP Project Number. This is the number of the project that appears on the project priority list. This number is necessary in order for the Department to determine which priority list project the application addresses. Some water systems have multiple projects on the priority list making it difficult to relate the application to a specific project without this number.

1. Name of the Applicant Water System. Provide the legal name of the public water system that is the applicant for the loan. The name used should be the same as what appears on the domestic water supply permit. If it is different, please explain in an attached note. If the project involves more than one existing public water system, the water system whose name appears on this line must be the system that has been designated as the applicant and recipient of the loan on behalf of the water systems involved in the project. This agency will be assumed to be responsible for repayment of the loan should it be executed.

2. Water System ID Number. This is the public water system number assigned to the water system by the Department. Since some water systems have similar or identical names, this number identifies the water system. The number should be on the domestic water supply permit issued to your water system. Contact the District Office if you have difficulty locating the ID number.

3. Street Address. This is the street address where the water system is located, not the address of an owner or company headquarters that may be located in a different city.

4. County. This is the county in which the water system's distribution system is located.

5. Mailing Address. This is the address where information and other mail regarding the loan should be sent.

6. Authorized Representative. Each loan applicant must designate a person who has the authority to represent the water system and sign documents pertaining to the loan application. If the water system is owned by a public agency or has a governing board, the application must include a copy of a resolution adopted by the governing body designating its authorized representative and authorizing the submission of a loan application. The loan application must be signed by the authorized representative. Should the water system change its authorized representative prior to final execution of the loan contract, the Department must be notified in writing with a copy of a new resolution.

7. Principal Contact Person. Fill in the name, title, and telephone number and email address of the person that the Department should contact if we have any questions or need further information regarding the application or the project.

8. Project Engineer. The Department anticipates that a qualified engineer will prepare the engineering report that must be developed and submitted with the application. Therefore, where this information is available, provide the name and address of the engineer or engineering firm that is, or will be, planning and designing the project. This information will be helpful in review and discussion of the design parameters to be used in the project, and can speed up the Department review and approval of the application.

9. Estimated Amount of Loan Funds Requested. Provide the best available estimate of what the eligible portion of the project will cost and the subsequent SWP loan amount (this amount may differ substantially different from the preliminary estimate reflected on the pre-application). The Department will determine the final eligible loan amount after completion of the review of the application. This amount will be reflected in the funding offer (Notice of Application Acceptance –

"NOAA") that will be sent to the applicant following application processing. Staff from the District Office will contact you to discuss any significant changes from your application that may arise from their review. The estimated amount of the loan set forth in the NOAA is expected to be further refined after the plans and specifications have been approved and the actual loan contract prepared. **SWP loans are limited to no more than $2 million per project**.

PART B. MANAGERIAL INFORMATION

1. Classification of Water System. The type of water system is important because some financing options are limited to certain types of systems. The three boxes represent the three types of systems that are eligible for source water protection funding. Please check the box that represents your type of system. If you are unsure of the classification of your system, you can check your domestic water supply permit. Your classification should be noted on the permit. If you are still uncertain, simply leave this space blank and it will be filled out by the Department based on our inventory records.

2. Ownership of the Water System. Similar to the classification of the water system, the type of ownership is also important since some financing options are limited to public ownership. Please check the box that corresponds to the ownership of your water system. **Non-community water systems must qualify as a non-profit entity in order to be eligible**. To verify this status, nonprofit owners of non-community water systems must include the appropriate IRS non-profit identification number.

3. Name and Title of Water Operations Manager. Identify the person who has the direct responsibility for day-to-day operation of the water system.

4. Duties of Key Officers and Personnel. The applicant must provide a list with the name, title and duties of key officers and personnel. If there are more than three people, the applicant must submit an organization chart that shows the names, titles, and the reporting relationship of all key persons involved with the operation of the water system.

   If the organization of the water system includes a governing board or a board of directors, this can be shown on the organization chart but it is not necessary to name the members of the board or indicate their titles (e.g. chairman, vice chairman, secretary etc.) The organization chart, however, should make it clear what the reporting relationships and responsibilities are for the persons shown on the chart. The organization chart does not need to describe all personnel employed by the system, only those persons that have primary responsibilities for making decisions that affect the operation of the system. Similarly, systems that employ large numbers of operators that have similar duties do not need to name each operator and can describe their duties in a "typical" fashion.

5. Authority to Enter into Contract. The Department is required to verify that the applicant has the legal authority to enter into an SWP loan contract. Therefore, a publicly owned water system must include a statement that certifies this authority exists. A resolution adopted by a public governing board (such as a city council or a county board of supervisors) authorizing the submission of the application is sufficient. Similarly, if a mutual water company has a charter document or Articles of Incorporation that establish this authority, it can be submitted in lieu of the certification.

6. Litigation. The Department needs to know if there is any litigation pending that could affect the water system's financial situation to the extent that the system's loan repayment capability could be hindered. Minor litigation that does not have this affect does not need to be described. However, if the litigation is over water rights, this needs to be described since it could affect the water system's ability to provide an adequate water supply.

7. Contract Operations. Some water systems contract with a private entity or another agency for the operation of their water system. This is a good way for some systems to overcome TMF deficiencies or provide operation that is more efficient. Where this is the case, the applicant must indicate the contractual party and provide a copy of the agreement.

8. Other Participating Agencies/Organizations. If the water system is participating in the project with other partners (such as other water systems, government agencies, watershed protection groups, community groups, open space districts, etc.), the application must include a list of the other parties. For each party, state the contact name, address, and the role of the party in the project (i.e., additional funding source, advisory, stakeholder, special interest, etc.).

9. Leases. The Department must be assured that the water system has full control over all key facilities of the water system. Therefore, if any major portion of the water system, such as water sources, land upon which all or a portion of the system is located, treatment facilities, or pipelines are utilized pursuant to a lease, the applicant must either describe the terms of this lease or simply attach a copy to the application. Leased equipment such as vehicles does not need to be described. If a lease is critical to the proposed project, the lease will have to cover the loan repayment period (typically 20 years).

10. Water rights. State law requires that the Department establish that applicants hold any necessary water rights prior to executing a loan contract. Therefore, in this space you should describe the nature of your water rights that apply to your source. If your source water is derived from a surface source pursuant to a riparian right or if you extract groundwater from a basin that is not adjudicated, a statement to that effect will be sufficient. If you purchase water from another water source, simply indicate that fact in the space and attach a copy of the contract. If you divert surface water pursuant to a water right granted by the State Water Resources Control Board, a copy of that permit should be attached to the application. If you have applied for a water right permit but one has not yet been issued, a copy of your application for the water right should be attached. If you extract water from an adjudicated groundwater basin, a copy of your right to extract such water from the basin watermaster should be attached.

PART C. TECHNICAL INFORMATION

1. Source Water Assessment. The application must include a copy of the source water assessment, completed in accordance with the DWSAP program document.

2. Type of Contaminant and Associated Possible Contaminating Activities (PCAs). The application, or the Engineering Report (discussed below), must describe the type(s) of contaminant that are to be addressed by the project (such as, microbiological contaminants, turbidity, nitrate, chemicals, or disinfection by-products). There must also be a description of the PCAs that are the most likely

sources of the contaminant(s). A list of PCAs and associated contaminants is included in Chapter 7 of the DWSAP document.

The project for which this application is being submitted was ranked based on a specific type of contaminant. It is possible that the proposed project will have residual benefits for other types of contaminants. However, to be considered eligible for funding, all elements or components of the proposed project must be directly related to the type of contaminant on which the project was ranked.

The Department recognizes that some systems may have more than one project on the project priority list. If a water system has received an invitation from the Department to submit more than one application (multiple projects within the fundable portion of the list), the applicant may combine those projects into one application. In these situations, both projects must be described. Applicants cannot request funding for lower priority types of contaminants as part of the project application without the Department's specific approval. For example, if the project is intended to address microbiological contaminants, funding for the project cannot include elements related to chemical contaminants unless these elements also address microbiological contaminants. The applicant should be aware that if unrelated problems or project elements are included, these elements may be excluded from funding consideration and would have to be paid for by the applicant.

3. Area or Zone Description. The project was ranked on the priority list based on the source water protection area or zone in which the PCAs to be addressed are located. Describe the dimensions of the area or zone (length, width, radius, area, etc.), the physical location of the zone (address, community, county, etc.), and its proximity to the source and other water system facilities. The DWSAP program document, Chapter 6, describes methods to delineate source water protection areas and zones.

4. Project Description. Describe the project that will address the PCAs and protect the water source. This may be done in the engineering report (described below). If so, simply refer to that report in this section. If the engineering report does not describe the project for some reason, provide a brief description in this space or attach a separate description.

5. Land or Easement Acquisition. Check 'Yes' if the primary purpose of the project is to purchase land or easements, or if acquisition is an element of the project. SWP loan funds can be used to purchase land and easements only from willing sellers.

6. Map. A map must be submitted with the application that shows the water system service area, the subject water source (well or intake location), water system facilities (i.e., other sources, treatment plant, distribution area), and the protection area or zones for the subject source. The source and adjacent protection zones should be shown on a USGS topographic quadrangle map, 7.5-minute series. If additional maps are needed to show watershed boundaries and system facilities, different types of maps may be used.

7. Local Community Task Force. If there is a local task force or group working on source water protection, the group should be described here. The description must include a list of participants, their affiliations, and the methods used to establish membership (i.e., volunteers, delegates from

service groups, appointments by elected officials, invited stakeholders, etc.). This description must be included if the applicant indicated on the pre-application that a group exists. If no source water protection task force exists, describe plans for establishing one.

8. Population Served. This should be an estimate of the population served on an average daily basis within the service area of the subject water source. For community water systems, this would be the permanent population of the community. Seasonal community systems should use the average population served by the system during the peak period in which the system is in operation. Non-community water systems should use the average daily population served during the periods that the system is in operation. The estimated population can be derived from census data, use records, billing information, or by converting service connections to population using a conversion factor of 2.8 persons per connection whichever most closely approximates the actual number of persons served.

9. Service Connections. Provide the total number of active service connections that are currently and directly served within the service area of the subject water source. This includes all domestic or residential, industrial, commercial or other connections. Wholesalers, or persons who deliver water to another water system, should contact the District Office as to the appropriate number of service connections to be used since this may vary depending upon the type of project being proposed. Non-community water systems do not need to fill out this section (simply indicate "not applicable").

10. Engineering Report. This section is the heart of the SWP application and contains most of the technical information needed to process the application. **The engineering report should be prepared by a qualified engineer or other professional.** Use of this type of expertise may speed up the processing of the application and by facilitating the Department's technical review. There is no particular format for the report but it is essential that specific elements be addressed as described below.

    a. Analysis of Alternative Solutions. Both State and federal law require that funds may be provided only to fund the most cost-effective solution to the problem. Therefore, it is essential that all feasible alternatives be evaluated. Alternatives that are obviously not feasible for economic or physical reasons do not have to be evaluated. An alternative should not be discarded solely for political reasons.

    In considering alternatives, only alternatives that involve significantly different concepts need to be evaluated. It is not necessary to evaluate different forms or variations of the same basic concept. For example, in evaluating alternatives for protection of surface water from microbiological sources, it is not necessary to compare signs for public education versus pamphlets. It is only necessary to compare public education (in general) against other concepts such as removal of sanitation facilities along the shoreline of a drinking water reservoir.

    In addition to evaluating and discussing the "feasibility" of each alternative, the report should estimate and compare the costs and relative effectiveness, including reliability, of the alternatives. "Costs" need only be addressed in a general sense. The cost of alternatives does not need to break down the alternative into specific detailed costs, and may be based on

typical construction costs, use of existing examples, or application of best engineering judgment.

State law also requires that the basic environmental impacts of each alternative be determined and compared. This information may be presented in the Initial Study that some systems will need to prepare as part of the Environmental review process pursuant to CEQA (California Environmental Quality Act). For those projects that have not gone through the CEQA process at the time of application submittal, an initial comparison of environmental impacts will need to be done. This comparison does not have to be detailed but merely compare the general impacts of the alternatives.

All factors will be taken into account but the primary decision as to which alternative to fund will be based on "cost-effectiveness." This means the project alternative that achieves an acceptable result at the least cost. In comparing the relative cost of each alternative, both initial capital costs, and operation and maintenance costs over the useful life of the facilities should be considered.

b. Project Description. The selected project alternative should be fully described in the engineering report. Each component and related equipment should be described as to necessity for solving the problem, function, size, and relationship to other project components. The useful life of the key project component (the component(s) that makes up the largest cost factor) should be estimated. The report should also describe how the project would address the type of contaminant and the associated PCAs.

c. Anticipated Benefits. The engineering report should describe the anticipated results of the project. Results may include: an improvement in water quality, maintaining water quality, reduction in treatment costs, reduction in monitoring costs, potential public health benefits, etc.

d. Conceptual Project Design. The engineering report must include a conceptual or preliminary project design. For land and easement acquisitions, this may include a preliminary priority list or map of designated parcels or easement areas. For construction projects, this might include a project layout showing the size and location of new facilities or ones to be removed or relocated. For signs, the proposed language and the location should be shown.

e. Ineligible Costs. The project description should also identify any elements of the project that will be included but are ineligible for funding using the eligibility criteria in the regulations. The project can include ineligible components, however, the applicant will need to identify a funding source other than SWP funds to pay for the ineligible portion. If the application combines more than one project on the priority list, the elements or components of each of the combined projects should be identified separately.

f. Cost Breakdown of Proposed Project. In most cases, the cost estimates included in the pre-application forms were rough estimates. It is expected that the full application will refine those estimates. Applicants are not limited to the amount stated in the pre-application. In developing the cost estimates for the project, the applicant must break the total cost estimate down into various project elements. SWP applicants are reminded that SDWSRF funding for SWP projects is limited to a maximum of $2 million per project. As a minimum, the engineering

report should show the anticipated costs of the following items (assuming the applicant wishes to have these costs included in the loan amount). If the applicant intends to pay for any of the items from another source, such as reserve accounts, this should be shown on the summary table on the application form (Part D. item 5).

- Planning, preliminary engineering, and application preparation
- Design and engineering costs
- Construction costs broken down by:
  - Major project components
  - Land and easement acquisition
  - Eligible versus ineligible items
  - Construction management and contingencies
- Legal and administrative costs
- Other (describe)

If the project contains ineligible construction items, the percentage of indirect costs (planning, administrative, design etc.) that apply to the eligible construction portion should be estimated. This can be based on a straight pro-ration if desired and will be the method used by the Department unless some other means is indicated.

g. Scheduling. The engineering report should also include a proposed schedule for project completion. This should include the time needed for preparation and submission of plans and specifications, completion of financing and preparation of construction bids (after approval of plans and specifications), completion of construction, and completion of purchase of land and easements. Be sure to include the time needed to complete the CEQA and "NEPA-like" environmental review process. The schedule should be expressed as months needed rather than specific dates since the date for execution of the funding agreement (NOAA) is unknown. The District Office will use these estimates as a basis for preparation of an overall project schedule. Applicants are reminded that construction must be completed within 3 years from the time the loan contract is executed following approval of plans and specifications. If the applicant feels this cannot be accomplished, the District Office should be contacted as soon as possible.

11. Environmental Documentation. All SWP project funding relies on federal funds, so must undergo an environmental review that complies both with CEQA, and the National Environmental Quality Act (NEPA). To comply with NEPA, the California SDWSRF program has established specific "NEPA-like" requirements, which have been approved by USEPA for SDWSRF projects. Due to the time required to complete the CEQA and NEPA-like process, in many cases this takes place following submission of an application. At the time of application, CEQA documentation, such as a negative declaration, various certifications, and an EIR may be submitted if they are completed. If such documentation is not available, the application should include as an attachment, a plan and proposed schedule for completion of all CEQA requirements. A loan contract will not be executed until this requirement has been completed.

Included in this application package are guidelines prepared by the Department to assist you in understanding and preparing the appropriate environmental documentation. All of the environmental documents will be reviewed and approved by the Department's SDWSRF Environmental Review Unit. Staff of this unit is also available to assist you and respond to any questions. They may be contacted at (916) 449-5600.

PART D. FINANCIAL INFORMATION

Please note: The financial information provided in Items 1, 2, and 3 is critical for establishing the affordability of the proposed project. Affordability is measured in terms of water service charges imposed on residential customers. Therefore, items 1 through 3 should be as accurate as possible. In estimating projected costs, use current dollars and do not apply an inflation factor.

1. Average current monthly residential water bill. It will require some calculations in order to fill in this blank. What is required here is the "average" monthly charge imposed on your residential customers. The purpose of this information, and the information required under item 2, is to assist the Department in determining the affordability of your project. One of the key factors used in determining the ability to repay the loan is consumer affordability. Affordability involves a comparison of average residential water bills to a standard "consumer target rate" as defined in the regulations.

   The starting point for this analysis is to determine what your residential (industrial and commercial users are not included) users are currently paying for drinking water on the average. This can be done by an evaluation of past charges or some other method. If the water system uses a "tiered" water rate, the charge should reflect what a typical residential user pays. The rate should reflect direct water charges plus any other fees or charges that support the water service such as parcel fees, standby charges, water taxes, and surcharges. In addition to filling out the blank with the average amount, you need to describe the methods that were used to calculate the average residential rate. You will also need to attach a copy of your current rate structure for your water system to the application.

2. Impact of the SWP loan on the average monthly residential water bill. Provide a calculation of the projected average monthly residential water bill will be if the SWP loan is executed as proposed. Under this item, you must estimate the portion of the eligible project cost that will be passed on to the consumers (this should be consistent with the engineering report) and the effect this cost will have on water rates. The purpose of this is to determine the cost impact of the loan on the residential users if the loan is made. The projected cost should include all related costs of the eligible project, including operation and maintenance costs. Applicants should contact the Department to determine the current interest rate to use to evaluate the cost impact. Do not include anticipated increases in the water bill that are not related to the eligible portion of the SWP project (this will be included in the next item).

   Your methodology and calculations for determining the cost impact of the loan should be shown. The Department will assume that project costs will impact residential and nonresidential water charges in a proportional manner to current costs. If this is not the case, you should describe the reason for shifting the cost burden.

3. Average projected monthly residential water bill. The regulations require an applicant to develop and submit with the application, a 5-year revenue/expenditure projection. This projection visualizes all of the expenditures that are planned for this water system, including the loan repayments for the proposed project over the next 5 years. What this item requests is the total overall projected water charges that will be passed on to residential water users. This should include any ineligible project costs as well as non-project related water system costs that will be imposed on the residential users during the next 5 years. This is calculated in a similar fashion to the previous items. As an example, the current average residential water rate may be $20 per month, the impact of the proposed project loan may raise this to $28 per month and the overall projected monthly rate for the next 5 years may be $35 per month.

4. Water rate structure. Please attach the water rate structure (for all consumers) covering the past 3 years.

5. Estimated project cost. This item requires a summarization of the project cost broken down by category and source of funding. Much of this information may be derived from the engineering report but it may not be in this format, therefore, it should be re-summarized here. If the categories used in the engineering report are more detailed than the categories listed in column 1, the categories in the engineering report may be used. Indicate the source of funding for any ineligible items that will be included in the project and that will be paid by the applicant. The total amount at the bottom should be equal to the total cost of the project. In item F, Contingencies, inclusion of a contingency for unforeseen construction costs is strongly recommended. Pursuant to Section 63010 (d) of the regulations, construction change orders that occur during construction that result in a cost increase not covered by contingencies must be paid for by the applicant.

6. Source of other funds. This item requests a breakdown of column number four (other loans and grants) from the previous item. If project funding will be entirely from SWP funds, this section does not need to be filled out. If the proposed project will be funded from multiple sources, you must provide a breakdown of those sources in this box. For example, if additional funds will be obtained from a federal agency such as the Rural Community Assistance Corporation or the Department of Housing and Urban Development, or from a private lender, the full name of each of the lenders or grantors should be listed under Fund Source. The second column should designate whether the funds are in the form of a loan, a grant, or in the case of applicant funds, whether these are from cash reserves or some type of internal loan.

   In the fourth column, simply indicate with a 'yes' or 'no' whether these funds have been applied for at the time this application was submitted. If the funds have been applied for and have actually been secured indicate that in column 5. If an applicant's ability to repay the SWP loan, or if commencement of the project is contingent upon receiving these other funds, the Department will impose a condition that these other funds be secured before a loan contract will be executed. The Department encourages the use of multiple funding sources, and works cooperatively with these other funding agencies to coordinate and expedite funding.

7. Source of funds for loan repayment. The federal SRF requirements make it clear that an applicant must have a "dedicated" source of funds for loan repayment. Prior to actual loan execution, you will need to submit a resolution or ordinance adopted by your governing board establishing the

dedicated funding source. At this time, however, you only need to describe the funding source that you plan to use for loan repayment.

8. Revenue/expenditure projection. There is no required format for presenting this information, however, a sample form is included in the application package that you may use if you choose to.

9. Existing indebtedness. This item should be self-explanatory and simply requires information on any existing outstanding loans of the water system.

10. Cash reserves. This item asks you to describe any cash reserves that your water system has in place. This would include any cash-flow reserve, emergency reserve, equipment replacement fund, contingency reserve etc. This information is needed to help establish the financial viability of your water system. Bear in mind that if a loan contract is executed, you will be required to maintain a loan repayment reserve equal to two loan repayments. This will be spelled out in the loan contract.

11. Accounting systems. In this item you need to describe the accounting procedures used, or planned to be used, by your water system if the loan is executed. This information is necessary to assure that the USEPA accounting procedures are satisfied. Additional information relating to accounting will be made available in the near future but submission of an application should not be held up since these requirements will not be necessary until loan execution.

    The Department of Water Resources (DWR) conducts the financial analysis of the application with respect to loan repayment capability etc. DWR also determines the maximum loan amount, grant eligibility, interest rates, and loan repayment terms. The applicant may be contacted directly by DWR with respect to any of these items.

PART E. FEDERAL CROSS-CUTTING REQUIREMENTS

Applicants are required to review and sign the certification of intent to comply with the listed federal laws and authorities.

PART F. ATTACHMENTS TO APPLICATION

Attachments:

a) Part A, No. 6 — A resolution or resolutions from the water system's governing body providing the following (as applicable):

1) Resolution designating the authorized representative and authorizing that individual to apply for a SDWSRF (SWP) loan (all systems)

2) Resolution or ordinance dedicating repayment source (not required at time of application, will be required prior to execution of loan agreement)

b) Part B, No. 4 — Titles and duties of key officers and personnel.

c) Part B. No. 5 — Legal authority statement (Public Owned Systems Only)

d) Part B. No, 6. — Description of pending litigation, and the potential costs

e) Part B. No. 7. — Agreement for operation of facility

f) Part B. No. 8. — Participating Agencies – list of other agencies/organizations participating with applicant in project.

g) Part B. No. 9. — Lease of land or major water system facilities

h) Part B. No. 10 — Water rights documentation

i) Part C. No. 1 — Complete DWSAP Source Water Assessment

j) Part C. No 6 — Map of service area and location of water system facilities, drinking water source, and protection area and/or zones

k) Part C. No. 10 — Engineering Report

l) Part C. No. 11 — Plan and schedule for CEQA compliance; completed CEQA documentation

m) Part D. No .4 — Water system rate structure for last three years include a description of the calculation for the average household water rate

n) Part D. No. 8 — Five-year revenue and expenditure projection for the water system

o) Part D No. 9 — Description of all long-term indebtedness

p) Part E. — Certification of compliance with federal cross-cutting requirements

q) Technical, Managerial, & Financial — TMF Capacity Assessment Form SDWSRF Applications